

AR43



**Canadian Vickers
Limited**

Semi-Annual Report

TO THE SHAREHOLDERS

**FOR THE SIX MONTHS ENDED
MAY 31, 1970**



5000 Notre Dame E., Montreal 404, Canada

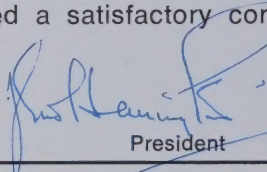
To The Shareholders

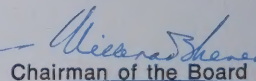
Consolidated operations for the six months ended May 31, 1970 show a net loss of \$260,117 compared to a profit of \$357,989 for the same period last year. This is a slight improvement over the first quarter and we expect the improvement to continue in the second half. Every effort is being made to reduce overheads in line with our current scale of operations.

Further orders amounting to some \$5,000,000 have now been secured from Ontario Hydro bringing total new orders received by the industrial division in the first half of the year to over \$20,000,000. The backlog of work in this division is now double what it was at the beginning of the year.

Ship repair operations, particularly drydockings have been active and prospects for the balance of the year appear to be favourable.

Labour negotiations are continuing and it is hoped a satisfactory contract will be achieved shortly.


President


Chairman of the Board

CANADIAN VICKERS, LIMITED

and its subsidiary companies

FOR THE SIX MONTHS ENDED MAY 31
(unaudited)

	1970	1969
Income and Expenditure		
Sales produced	\$10,369,135	\$20,176,548
Profit (Loss) before income taxes	\$ (260,117)	\$ 421,217
Provision for income taxes	—	63,228
Net profit (loss) for 6 months	\$ (260,117)	\$ 357,989
Earnings (Loss) per share	(.48)	.65
Consolidated Surplus		
Balance at start of year	\$ 5,663,183	\$ 5,966,232
Net profit (loss) for 6 months	(260,117)	357,989
Capital profits (loss)	(9,780)	30,391
Loss on realization of minority interest in deficit of Vickers Krebs Limited	—	(125,572)
Balance at May 31	\$ 5,393,286	\$ 6,229,040
Source and Application of Funds		
FUNDS PROVIDED		
Net profit (loss) from operations	\$ (260,117)	\$ 357,989
Depreciation	424,360	428,715
Sale of fixed assets and investments	(3,242)	46,556
Decrease in minority deficit	—	576,668
TOTAL FUNDS PROVIDED	\$ 161,001	\$ 1,409,928
FUNDS APPLIED		
Purchase of fixed assets	\$ 171,483	\$ 188,809
Past service pension payments	20,922	75,586
Loss on realization of minority deficit	—	125,572
TOTAL FUNDS APPLIED	\$ 192,405	\$ 389,967
INCREASE (DECREASE) IN WORKING CAPITAL	\$ (31,404)	\$ 1,019,961